Introduced by Senator Torlakson

February 16, 2005

An act to add Section 25005.6 to the Public Resources Code, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 309, as introduced, Torlakson. Energy resources: petroleum infrastructure projects: legislative findings and declarations.

The existing Warren-Alquist State Energy Resources Conservation and Development Act requires the State Energy Resources Conservation and Development Commission to implement and administer various energy generation and conservation programs in the state.

This bill would make legislative findings and declarations related to the need to improve reliability and efficiency and increase energy production capacity in the state to meet the demand for cleaner burning transportation fuels and declare the intent of the Legislature to amend the act, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 25005.6 is added to the Public
- 2 Resources Code, to read:
- 3 25005.6. (a) The Legislature hereby finds and declares all of
- 4 the following
- 5 (1) California's supply of transportation fuel is not keeping
- 6 pace with growing demand.

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(2) California consumers desire to use the cleanest available transportation fuels, and the state has been a pioneer in the development of cleaner burning gasoline and other cleaner burning transportation fuels.

- (3) In the past two decades, the number of petroleum refineries in California and the nation has declined, and no new refineries are anticipated in the state.
- (4) It is becoming more difficult for California refiners to improve reliability and efficiency, and to make incremental capacity increases to meet demand growth for cleaner burning transportation fuels. Imports of finished cleaner burning transportation fuels and blending stocks are now critical to balancing supply and demand in California.
- (5) Ports, marine terminals, refineries, pipelines, terminals, and other elements of the California petroleum infrastructure are proving to be inadequate for producing and handling increased volumes of cleaner burning transportation fuels.
- (6) California faces potentially serious transportation fuel imbalances over the next several years, which necessitate immediate action by the state on a statewide basis.
- (7) The purpose of this section is to identify the problems facing the state and encourage the promotion of incremental investments in new, more reliable, more efficient, and environmentally superior components of the California petroleum infrastructure.
- (8) The commission has commenced an informational proceeding to evaluate petroleum infrastructure development constraints. The purpose of this proceeding is to continue the evaluation of constraints on the state's petroleum refining, importing, storage, and pipeline systems and to examine the extent to which improvements in permitting and other options would help expand this infrastructure and increase the state's supply of transportation fuels.
- (b) It is the intent of the Legislature to amend this division to reflect the results of the petroleum infrastructure development constraints proceeding.